

PROCEEDINGS OF THE BOARD OF ESTIMATE & TAXATION

The regular meeting of September 14, 2011 was moved to September 13, 2011 and held in room 317 of City Hall.

Meeting called to order by President Wheeler at 5:05 p.m.

Present were: Fine (Robert Fine, Representative of the Park and Recreation Board), Hodges (Betsy Hodges, Chair of the Ways & Means/Budget Committee of the City Council). Johnson (Barbara Johnson, President of the City Council; Rybak (R T Rybak, Mayor of Minneapolis), Becker (Carol J. Becker, Elected Member), Wheeler (David Wheeler, Elected Member).

Absent; none.

The secretary reviewed with the Board the following:

Of the 55,203 residential homestead parcels in the data grouping (which are parcels over the last four years with no change in classification & no permitted improvements that would change the market value) , for taxes payable in 2012 the January 2, 2011 valuations are used.

2,249 parcels or 4.1% of the parcels will have a CITY tax decrease of at least 15%

7,669 parcels or 13.9% of the parcels will have a CITY tax decrease of at least 10%

11,853 parcels or 21.5% of the parcels will have a CITY tax decrease of at least 7.5%

17,586 parcels or 31.9% of the parcels will have a CITY tax decrease of at least 5%

25,265 parcels or 45.8% of the parcels will have a CITY tax decrease of at least 2.5%

35,537 or 64.4% of the parcels will have a CITY tax decrease

14,219 parcels or 25.8% of the parcels will have a CITY tax increase between 0% to 2.5%

5,350 parcels or 9.7% of the parcels will have a CITY tax increase between 2.5 % to 5 %

This makes up 55,106 of the data sample or 99.82%.

President Wheeler opened the Public Hearing for the City Charter and Truth in Taxation compliance, with regards to the setting of the maximum tax levies payable in 2012.

A. Public Comments

B. Comments by Board of Estimate & Taxation members.

President Wheeler closed the Public Hearing for the City Charter and Truth in Taxation compliance, with regards to the setting of the maximum tax levies payable in 2012 there being no further individuals indicating a desire to address the Board.

Consideration of setting of the maximum tax levies payable in 2012 with regards to the The Charter and Truth in Taxation compliance was before the Board. As to the issue of setting the maximum tax levies for pay 2012 after considerable discussion Mayor Rybak moved to (see resolutions). Motion seconded by Fine. The motion was adopted. Yeas – 5, Nays – none, Abstain - 1 as follows; Yeas – Fine. Hodges, Johnson, Rybak, Wheeler– 5; Nays – none; Abstain – Becker - 1.

TRUTH IN TAXATION RESOLUTION:

By Rybak seconded by Fine 0 % Total Levy Change

ACTIONS BY THE BOARD OF ESTIMATE & TAXATION OF THE CITY OF MINNEAPOLIS:

That, pursuant to truth in taxation legislation of the State of Minnesota, the Board of Estimate & Taxation does hereby fix and determine the maximum certified tax levies for property taxes payable in 2012 for various funds, from general taxation exclusive of tax-increment and fiscal disparities contribution values being assumed to be \$ 316,928,923 plus a fiscal disparities distribution dollar estimated at \$ 36,736,208 such maximum amounts and maximum net tax capacity rates being as follows:

<u>Truth in Taxation pay 2012 Levy Item</u>	<u>Total Tax Levy Levy Amount</u>	<u>*Net Tax Rate in %</u>
Minneapolis City* (excluding the Park & Recreation Board)	\$ 220,640,000	60.074
Minneapolis Park & Recreation Board	\$ 47,217,000	12.856

SPECIAL LEVY SECTION:

Minneapolis Public Housing Authority	\$ 0	0.000
Teachers' Retirement Association	\$ 2,450,000	0.677

& a Market Value levy for the Library Referendum debt service of \$ 9,300,000.

*Estimated based on the valuations indicated herein; the final rates will be determined by the final valuations, although the maximum dollar amount will remain as shown unless the final valuations change to the extent that the maximum dollars shown would exceed the statutory limit, in which case the maximum dollar amount would be reduced to the statutory limit amount.

That pursuant to the truth in taxation legislation, the following is filed as the maximum certified property tax levies for property taxes payable in 2012:

<u>Truth in Taxation pay 2012 Levy Item</u>	<u>Total Tax Levy Levy Amount</u>	<u>*Net Tax Rate in %</u>
General Fund	\$ 176,374,000	48.019
Permanent Improvement Fund	1,000,000	0.273
Bond Redemption Fund	18,750,000	5.105
Estimate & Taxation Fund	170,000	0.047
Municipal Building Commission**	4,285,000	1.167
Fire Relief Association**	325,000	0.089
Police Relief Association**	2,275,000	0.620
Minneapolis Employee Retirement Fund**	17,461,000	4.754
TOTAL CITY & OTHER	\$ 220,640,000	60.074
 PARK & RECREATION BOARD	 \$ 47,217,000	 12.856
	\$ 267,857,000	72.930

AND a market value levy for the Library Referendum debt service of \$ 9,300,000.

** These funds are not subject under the City Charter to the Board of Estimate & Taxation's jurisdiction with regards to Charter regulated maximum tax levies.

<u>Truth in Taxation pay 2012 Levy Item</u>	<u>Total Tax Levy Levy Amount</u>	<u>*Net Tax Rate in %</u>
Minneapolis Public Housing Authority	\$ 0	0.000
Teachers' Retirement Association	\$ 2,450,000	0.677

CHARTER COMPLIANCE RESOLUTION:**By Rybak Seconded by Fine 0 %****ACTIONS BY THE BOARD OF ESTIMATE & TAXATION OF THE CITY OF MINNEAPOLIS:**

That, pursuant to Section 2, Chapter XV of the Charter of the City of Minneapolis, the Board of Estimate & Taxation does hereby fix and determine the maximum rates and maximum amounts of money which may be raised by general taxation and may be levied by the City Council, the Public Housing Authority, and the Board of Estimate & Taxation of the City of Minneapolis for the fiscal year 2012 for various funds, the net tax capacity of the property subject to general taxation exclusive of tax-increment and fiscal disparities contribution values being assumed to be \$ 316,517,298 plus a fiscal disparities distribution dollar estimated at \$ 36,736,208 such maximum amounts and maximum net tax capacity rates being as follows:

TO BE LEVIED BY:**Total Tax
Levy or
Levy Amount*****Net Tax
Capacity
Rate in %****BY THE CITY COUNCIL:**

General Fund	\$ 176,374,000	48.019
Permanent Improvement Fund	\$ 1,000,000	0.273

BY THE PUBLIC HOUSING AUTHORITY:

Public Housing	\$ 0	0.000
----------------	------	-------

BY THE BOARD OF ESTIMATE & TAXATION

Estimate & Taxation Fund	\$ 170,000	0.047
--------------------------	------------	-------

*Estimated based on the valuations indicated herein; the final rates will be determined by the final valuations, although the maximum dollar amount will remain as shown unless the final valuations change to the extent that the maximum dollars shown would exceed the statutory limit, in which case the maximum dollar amount would be reduced to the statutory limit amount.

That the aggregate of levies certified to the Hennepin County Director of Property Taxation for 2012 for bond redemption and interest is reduced by the application of cash on hand and appropriated by the City Council and the Park and Recreation Board to the following total amount and rate:

Bond Redemption Fund	\$ 18,750,000	5.105
-----------------------------	----------------------	--------------

& a market value levy for the Library Referendum debt service of \$ 9,300,000.

That the maximum net tax capacity rates listed above have been calculated on the basis of an assumed net tax capacity of \$ 369,785,257 (\$ 405,249,511 less increment financing of \$ 36,141,002, fiscal disparities contribution of \$ 52,179,586, plus a fiscal disparities distribution of \$ 52,856,334) and shall be adjusted as necessary to reflect the net tax capacity of taxable property for the City for 2012 as finally certified by the legally designated Hennepin County Director of Property Taxation;

That in the event the maximum tax levy or tax capacity rate stipulated above for any fund is determined to be in excess of the maximum legal tax levy or tax capacity rate for such fund, the maximum legal tax levy or tax capacity rate shall be construed to be the maximum tax levy or tax capacity rate for such fund for the purpose of this resolution;

That in consequence of the passage of various laws, the Board assumes no jurisdiction as to the amounts or rates to be levied for the following funds: Fire Relief Association, Police Relief Association, Municipal Building Commission, and Minneapolis Employees Retirement Association.

That a copy of this action be certified to the County Director of Property Taxation and The City Council of the City of Minneapolis.

No additional direction to staff was given at this time.

The following reports were presented by the secretary to the Board:

R – 1. Variable Rates (Tax Exempt) for the weeks starting September 8, 2011.

R - 2. Information packet based on the Mayor's Budget message with a 2 % Levy change from pay 2011.

1. Truth in Taxation Resolution at 2 % Levy change.
2. Truth in Taxation Resolution format.
3. Charter Compliance Resolution at 2 % Levy change.
4. Charter Compliance Resolution format.
5. Market Value Homestead Credit program changes.
6. Collective tax base effects on pay 2012 taxes.
7. Pay 2012 changes in Tax Capacity used for local tax rate.
8. Market Value changes in homesteaded properties & estimated City Tax % change.
9. City Tax % change brackets # 10 & # 11 examined for Market Value changes.
10. Estimated City Tax % changes at 2 % Levy change.
11. Estimated City Tax \$\$ changes at 2 % Levy change.
12. Estimated residential impacts including utility fees page 1 of 2.
13. Estimated residential tax impacts including utility fees page 2 of 2.
14. Estimated commercial and apartment tax impacts.

Fine moved to adjourn; seconded by Johnson.

The meeting was adjourned at 5:50 p.m.